Town and Country BUSINESS PROGRAM

KEY to Business Understanding

Wrapping It Up To Sell

PURPOSE: To consider the important changes in marketing which have been influenced by new packaging ideas.

DON'T LOOK NOW, but there's a revolution going on in your kitchen. It has already reached as close as your pocket or handbag. This revolution is right in your hands when you zip open a fresh pack of chewing gum. Open your refrigerator; it is there too, staring you in the face . . . the paper milk container, soft drink in cans, prepackaged meat wrapped in transparent film.

Sheets, underwear, towels, and socks are prepacked so you can see them, yet they remain snow-clean and sunshine-fresh through their journey in the marketing channel from producer to final buyer.

Aerosol spray containers are being used to package pancake mix, charcoal lighter fluid, bug spray, whipped cream, tooth paste, hair spray and paint, plus a host of others. Glue, ketchup, and deodorants and nasal spray come in plastic-type squeeze bottles. Sauerkraut, pickles, and precut meats arrive at stores in durable plastic.

Yes, the packaging revolution is one of the most dramatic aspects of today's marketing. Before the great revolution the package was just a container . . . a lowly uninviting, drab box . . . or a sack. Today the package is the salesman, the advertising medium, the display rack, and the shipping container. There are added extras, too . . . you can bake the product contained in some of the new rigid foil packages; and the homemaker can often find many uses for the new packages. Cottage cheese containers make tumblers; produce bags make handy refrigerator storage; cake tins can be used for storage units and flower planters.

The packaging revolution is being felt also on the farms of the nation. With package-conscious consumers, farm products must be adapted to the newest packaging techniques. Then, too, farmers are participating in the packaging revolution as consumers. A great portion of the items affected are consumer goods used in the farm home and purchased in the supermarket and hardware or drugstore.

While the added attractions of the modern package give customer appeal, re-use utility, and other advantages, the basic purposes of the packages are still of primary importance. The age-old purpose of a package is to provide protection and convenience.

The basic purposes of packaging—protection, ease of handling, and low cost—are especially characteristic of the shipping container phase of the packaging industry. Shipping containers include bags of various kinds (like those used for feed, fiberboard, and corrugated boxes.)

Most agricultural products start on their way through the marketing channel in shipping containers: boxes, barrels, and crates.

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Shipping Containers

Shipping containers are the rugged giants of the packaging world. Of course, they're often dressed up so they are attractive even on the unloading platform. But, their big job is to provide convenience in handling and transportation and to give protection to the products. Shipping containers can be handled and rehandled many times: loaded, unloaded, and reloaded. They may be stored in warehouses several layers deep. They must be tough enough to withstand the tremendous pressure of stacking and the impact of the sudden starts and stops of moving vehicles. Egg cases, for example, are built of highly resilient, durable, and moisture-resistant materials that can be used over many times in the egg trade. Each egg must be isolated in its respective cell by means of chipboard dividers.

Shipping containers are often palletized. This method means that they are transported or stored on pallets so a large number can be handled at one time. Using a fork-lift or pallet truck, several hundred units can often be moved at one time. You will probably see the use of pallets and the fork-lift truck during the tour of your group to a warehouse or storage building.

To move products through the marketing channels, shipping containers must be low-cost, lightweight, and ox-strong. The common corrugated and fiberboard boxes meet these requirements. They are among the most popular of all shipping containers and are used for products weighing up to 700 pounds.

The corrugated and fiberboard boxes usually arrive at the plants as "flats." That is, they're folded to save space; you can easily imagine the tremendous space needed to store "set-up" boxes at a plant which might use thousands a day.

Corrugated and fiberboard boxes can be chemically treated with asphalt, wax, and other protective substances to withstand severe exposure of weather and industrial conditions. By use of plastic bags or liners placed within them, fiberboard containers can be used for certain liquids, such as ice cream mix.

Despite the popularity of fiberboard, wooden containers still predominate for shipping agricultural products. Fruits and vegetables especially must be shipped to market in containers that have superior sturdiness and rigidity.

The wooden shipping containers include nailed crates and boxes. What is the difference between a crate and a box? A crate is simply a rigid shipping container of framed, open construction fastened together with nails, bolts, or similar methods of fastening. A box is a container which has closed faces (or sides).

Some of the other common wooden shipping containers are the wire-bound boxes and crates, veneer packages, and barrels.

To satisfy the lumber needs for the wooden package industry requires more than a billion board feet of lumber — as much timber as is cut in the entire New England States each year.

Steel drums are often used as shipping containers while fiber drums are commonly used for chemicals, powdered milk, and similar commodities. It is likely that the use of aluminum barrels will increase as the metal becomes relatively lower in cost.

Among the most familiar shipping containers are the heavy-duty bags. Textile bags of cotton and burlap are used for feed and grains; multiwall paper bags are used for fertilizer.

One of the interesting developments in the shipping container field is bulk handling of many commodities, notably feed, grain, and fertilizer. The bulk milk route, where milk is pumped from a farm cold-storage tank into the truck-tanker, has reduced the use of the 10-gallon milk can as a shipping container. Bulk handling of feed and fertilizer can reduce packaging costs and the use of heavy-duty bags.

Consumer Packages

Let's now leave the shipping container field to consider the colorful, glamorous stars of the packaging world — the consumer packages. Every concept of color, shape, utility, art, and design are brought into focus here. The company interested in package design has a staff of experts competent in many related areas. For example, the professional color engineer applies his basic training in psychology, physics, and optics to the marketing powers of the package itself. It must do everything a package should, plus please and attract the consumer. The customer is really the basis for the packaging revolution. The self-service type of retailing, small-lot purchases, and increased use of prepared foods are felt throughout the world of packaging. Here the requirements are not so great for rigidity and durability, so flexible

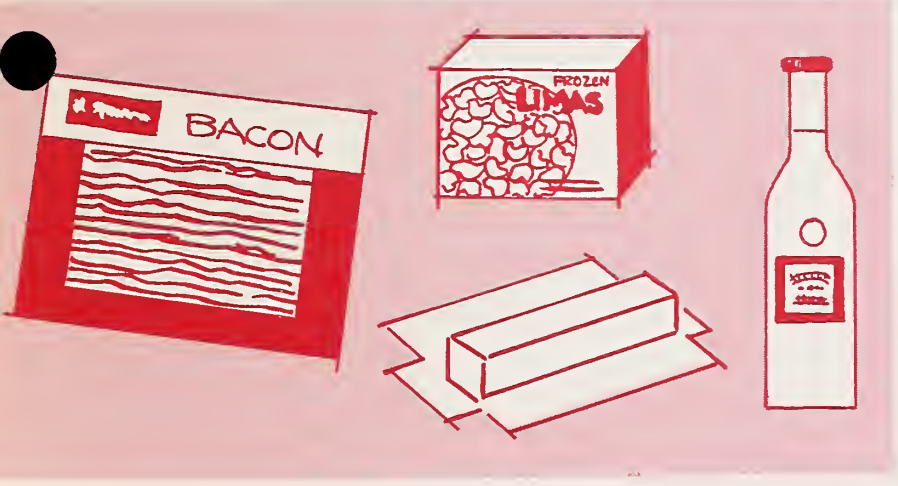
sheet packaging materials are more widely used. Paper, transparent film, and metal foils are widely used to package goods into consumer-sized units. Each of these products is adaptable to meet specific characteristics required for a particular packaging problem.

The use of transparent film has more than tripled since 1946. More than 60 kinds of cellophane are available in addition to the many kinds of polyethylene products.

In the consumer packaging field one often hears the word "prepackaging." As a term the word is losing its significance, because it merely implies the product has been packaged at some point in the marketing channel prior to selection by the customer. Chinaware, and even furniture, can be packaged in sets so that prepackaging by the retailer is not necessary.

In agriculture we usually think of prepacking as the packaging of fresh fruits, vegetables, meats, cold cuts, etc. into consumer units for self-service retailing.

The self-service store has become one of the major instruments in the consumer packaging revolution. Let's take meat as an example. To be a self-service item, meat has to be cut, weighed, and wrapped. The meat has to be visible, and the fiber tray on which it is placed must be resistant to dampness. The cellophane for prepacking meat has to be specially developed so the exact amount of air is permitted to penetrate the package. Retail stores were able to take advantage of self-service in the meat department only after these packaging problems were solved. It is interesting to note that the meat department was the last division of the retail store to become fully self-service.



Papers Are Important in Packaging

The papers used in packaging are highly specialized. All of us are familiar with "kraft" paper which is commonly used for grocery bags and ordinary wrappings. It is the most commonly used of all packaging papers and is one of the major users of pulpwood from American farms and forests. It requires thousands of acres of forest land to supply the kraft paper needs of the nation. The word kraft means "strength" in the German and Swedish languages. The paper mill producing kraft is highly complicated and requires men of many specialized skills. One reason for the popularity of kraft paper is that it can be adapted to so many packaging needs.

The apple and pear wraps are unique, being made of tissue paper impregnated with special oils to prevent storage scald. Bacon wrapper must be greaseproof, while butter paper must be both greaseproof and have high wet strength. Or take the common frozen food wrapping paper; it is usually waxed and wax-laminated, resistant to both grease and moisture. It also must be pliable at low temperatures, nontoxic, of high bursting strength, and a neat, clean color.

Just recently a new stretchable paper has been introduced into the packaging field. Most kraft paper will stretch about 2 per cent, while the new product can stretch about 10 per cent. This new paper will be seen in fertilizer and feed bags, because it will stretch instead of breaking. It also stacks and handles more easily than the usual kraft paper.

Other Kinds of Packages

Cans, bottles, and tubes in many sizes and shapes are among the important members of the packaging family. Cartons and boxes make up the colorful containers for dry lines of merchandise.

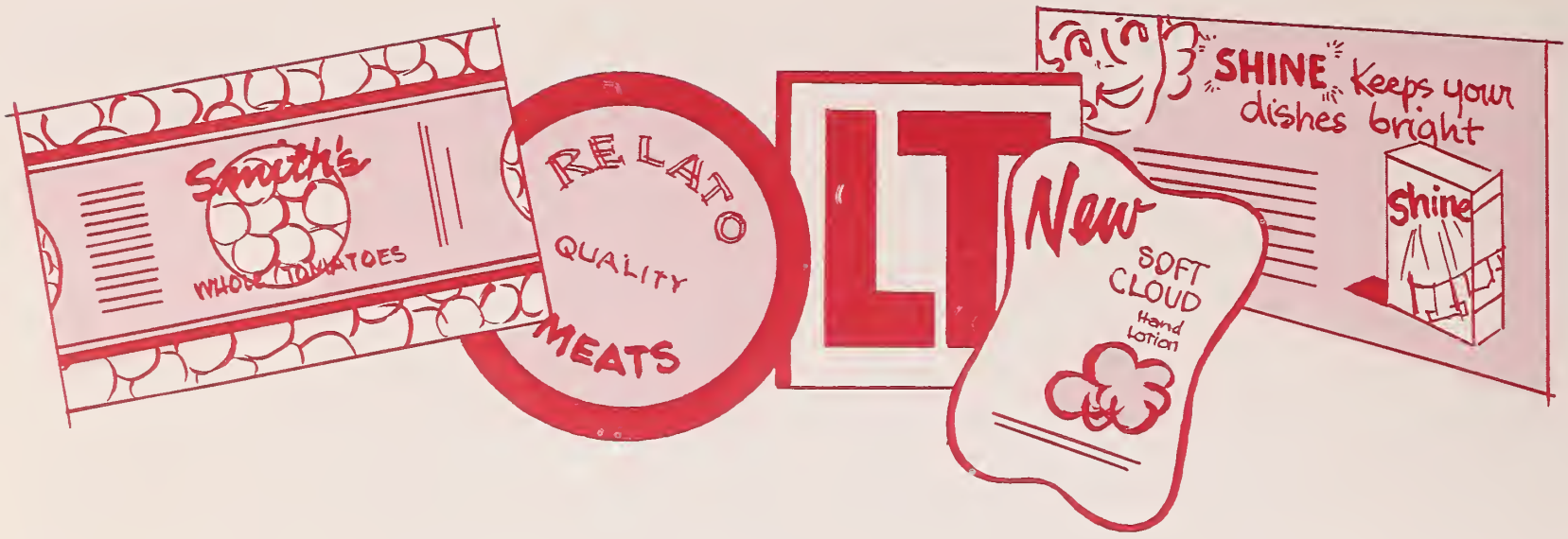
Cans offer great advantages in packaging, especially for processed fruits and vegetables. They maintain the product in a palatable condition for a long time. They are convenient to store and handle, the contents are easily prepared for table use and are clean and safe.

Within a few years you will see a can which can be opened without a key or a can opener. New ways of printing designs on the cans will make them even more colorful and attractive.

Glass bottles and jars have a big selling point in packaging because the product can be seen in the container. They also are the packages which assure the least likelihood of imparting flavors to the enclosed product. A disadvantage of glass is that it is heavy compared with the tin can and, of course, breaks more easily.

Glass can be made in many attractive shapes which give products "personality" and attractiveness. Note in your drug store the many interesting shapes in which glass is used to package vitamins, cosmetics, and drugs. Glass is being developed which is stronger, lighter, and highly decorative.

Most packaging today is done by high-speed machinery. The packaging of certain products like mac-



aroni, spices, and cereals can be done at rates of 350 units per minute, including accurate weighing. High-speed vacuum fillers can bottle up to 450 containers a minute. The need for speed in automatic packing makes the selection of the proper package all the more urgent.

There are predictions of machinery developments to handle up to 1000 containers per minute with precision and accuracy.

Labels

The label is an important aspect of today's marketing revolution, since most products are packaged so that the customer can't pick them up to feel, handle, smell, or examine closely.

The self-service selling of today's retailing means that a label must be fresh, different, and attractive. It must tie in closely with advertising campaigns. When television is used for advertising, the label must be easy to read and to remember in the flash-short time it appears on the screen.

The label of a successful product must become so familiar that the customer reaches for the item without having to look for the brand name.

Labels must fill exacting specifications: can labels, for example, are specially made on paper with a hard smooth finish, so they resist scuffing in handling. These labels come in hundreds of different shapes which are formed through a procedure known as die cutting. The label must fit the kind of product to which it is attached: candy and cosmetics take fancy labels, while automotive goods best use plain, straightforward-type labels.

Progressive companies keep abreast of public taste in their design of labels and packages, and some will make slight changes every 3 to 5 years.

Yes, the label is an integral part of the package, telling the customer what the product is, who makes it, and how the customer can get the most satisfactory use of the product. The little label has a tremendously big job to do!

Better packages and packaging help reduce the cost of marketing. The progress in this field has made possible self-service retailing and it provides us with more sanitary, easily handled, and convenient products.

All indications are for even brighter promises from the field of packaging during the years ahead.

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